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L1 securities near trad\$

1434 L1

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L35: Entry 3 of 3

File: USPT

Mar 22, 1994

DOCUMENT-IDENTIFIER: US 5297031 A

TITLE: Method and apparatus for order management by market brokers

Brief Summary Text (16):

"Contingency orders" are those that impose certain limitations beyond the quantity and delivery month, such as limits in price or time, or both. A "price limit order" contains a price limitation that is specified by the customer; it can be executed only at the price specified or at a better price level. A "fill or kill" order contains a specified price at which the order must be executed or it is to be immediately cancelled.

Brief Summary Text (17):

"Stop orders" are sometimes confused with "limit orders", but they are actually quite different. A "buy stop order" instructs a broker to execute the order when the price of a commodity rises to a specified level above the current market price. The "buy limit order" is usually placed below the current market price and must be executed at the limit price or better. The difference between a buy limit order and a buy stop order is exemplified as follows. A customer may be inclined to buy December sugar, which could be selling at a price of 5.43 cents per pound. The customer could tell his broker to buy a contract at a price not to exceed 5.35 cents; this is a "buy limit order". Another customer under the same circumstances could tell his broker to buy a contract of December sugar but not until the price rises to at least 5.55 cents, at which point the order will be executed at the market; this is a "buy stop order". The buy stop order is placed above the current market and may be executed at the price specified on the stop, above it, or below it because it is executed at the market price after the stop price is touched; at that point, the stop is said to be "elected".

Brief Summary Text (19):

Some customers will raise their stop prices as the market price advances in an effort to gain as much as possible from a major move, while making certain that they can probably lose back only a little of the gain. Such an order is frequently called a "trailing stop".

Brief Summary Text (20):

A somewhat more complex order is the "stop limit order". The customer might instruct his broker not to buy sugar until it rises to 5.53 cents per pound and not to pay more than 5.55 cents. This is unlike the unlimited stop, which becomes a market order when the stop price has been touched. The limit price may be the same or different from the specified stop.

Brief Summary Text (27):

Although the foregoing description has concentrated on the commodity futures markets, it will be understood that the order management system of the present invention is applicable to all markets, including those for securities trading. Securities markets are usually based on actions by specialists, each of whom is the market maker for one or more specific securities. In the New York Stock Exchange, for example, the ultimate determination of price for any given transaction

frequently is determined by a specialist who deals in a particular stock and who maintains a running list or "book" of offers to sell and orders to purchase that stock. The specialist may complete a transaction in the stock whenever one or more purchase and sell orders can be matched with respect to price; on occasion, the same specialist purchases the particular stock in which he specializes or sells the same stock in order to maintain a market for the stock and prevent violent fluctuations in its price. Similar functions, particularly with respect to the matching of orders to purchase and to sell, must be carried out in all auction markets for the marketing of fungible goods, including such commodities as wheat, corn, and the like as well as stocks and bonds.

Brief Summary Text (28):

A computation system for establishing prices in auction trading for the securities market is described in U.S. Pat. No. 3,581,072 to Nymeyer. That computation system comprises a main data store for recording encoded data items representative of orders to buy and to sell the goods, such orders including orders at specific prices and other orders "at the market." The system includes a buy order sequencing device for arranging and recording purchase offers first in descending order by price and secondly by time of entry so that at each price level the oldest orders are uppermost. A sell order sequencing device is provided for arranging and recording all offers to sell first in ascending order by price and secondly in descending order by time so that once again the oldest orders are the highest at each price level. A closing price store is provided to record the last actual selling price for the goods. The closing price store and the main data store are coupled, by suitable control means, to the sequencing devices in order to transfer the recorded data items from the data store to the sequencing devices with "at market" prices being transferred at the aforementioned last selling price. The two sequencing devices are coupled to a comparator that compares the sell orders and the buy orders, when they have been arranged in sequence, to determine the lowest buy order price that is equal to or greater than a recorded sell order and thus establish a new selling price for the goods.

Detailed Description Text (5):

The broker workstation in accordance with the present invention is a deck management system that continues to permit the broker to use his expertise to execute the order depending on the market situation. The broker has indicated on his workstation the different types of orders residing in his deck, including the total quantity at a price of limit orders, stops, stop limits, M.I.T.s, and orders with special instructions. There is also an area indicating the total market orders to buy and sell. Just as in the present markets, the broker must judge how to get the best order execution, whether that is in the physical pits or on an electronic trading system. The system of the present invention thus enables the broker to better serve the needs of the market.

Other Reference Publication (6):

"Software alliance unveils system to help banks trade securities", American Banker, Nov. 17, 1987, 14 (abstract of article).

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L5: Entry 1 of 2

File: USPT

Jan 21, 1986

DOCUMENT-IDENTIFIER: US 4566066 A

TITLE: Securities valuation system

Brief Summary Text (63):

A principal object of this invention is to allow the user, e.g., a stockbroker, investment banker, bank trust department, investment manager, pension fund manager, individual investor, etc., to produce valuation schedules of his customer's, or his own, securities portfolios, even though those portfolios may contain securities in seldom traded, as well as widely traded securities. To achieve this, 3 classes of security files are utilized.

Brief Summary Text (65):

A second class of securities herein referred to as Group 2 securities are those less-widely traded securities which might be expected to appear in a number of portfolios of one or more users, but do not at a given time appear on the daily Bunker-Ramo listings. These securities are stored in the master security files, but they contain no price information. The user must manually supply a price for each such security at the time the portfolio is priced.

Brief Summary Text (66):

A third group of securities, herein referred to as Group 3 supplemental securities, are those infrequently traded securities which may appear in one or more portfolios of a particular user, or a small number of users. All data on these securities is entered into the system once by the user, the first time the security appears in any portfolio.

Detailed Description Paragraph Table (24):

**ANYSE01-04 New York Stock Exchange
 **BASE001-003 American Stock Exchange **COTC001-003 Over-the-Counter (NASDAQ)
 **DNYBE01-04 New York Bond Exchange **EPCSE01-02 Pacific Coast Stock Exchange
 **FMWSE01 Midwest Stock Exchange & American Bond Exchange Field No. Field Code
 Field Description _____ 1 A Security number 2 A\$
 Security name (begin) 3 B\$ Security name (end) 4 C\$ Ticker symbol (1-7) CUSIP (10-18)
 5 B Clearinghouse number 6 C Open price 7 D High price 8 E Low price 9 F Last price
 10 G Close price 11 H Adjusted close price 12 I Yearly high price 13 J Yearly low price
 14 K Bid price 15 L Offer price 16 M Previous bid price 17 N Earnings indicator
 18 O Quarterly earnings 19 P Annual earnings 20 Q Ex-dividend indicator
 21 R Dividend payment indicator 22 S Stock dividend of indicator 23 T Quarterly dividend
 24 U Annual dividend 25 V Stock dividend percent 26 W Cash dividend date
 27 X Stock dividend date 28 Y Volume 29 Z Round lot indicator (End-of-file marked by A=0) _____

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L2: Entry 94 of 117

File: USPT

Jul 31, 2001

DOCUMENT-IDENTIFIER: US 6269346 B1

TITLE: Stock option control and exercise system

Detailed Description Text (42):

Continuing with FIG. 5, test 1120 confirms that the order as entered on the exchange was executed per instructions. A positive response to test 1120 is followed by system file update with the new information, block 1130. If the order cannot be confirmed, the system determines whether the price limit failure occurred, test 1160. A price limit prevents a rapidly shifting market from causing a negative cash transaction by assuring that the market price received for the security is sufficient to cover the option price plus whatever incidentals may accrue. If a price limit triggered an aborted trade, a report is generated, block 1180; if the trade failed for some other reason (e.g., trading stopped for that security on the exchange) the system contacts the broker to complete the report, block 1170. This ends the processing until the next period or volume limit is reached, block 1150.

Detailed Description Text (46):

In yet another embodiment, the invention contemplates the real time execution of option exercise, as described in U.S. Pat. No. 4,674,044, entitled "Automated Securities Trading System" (the disclosure of which is incorporated herein by reference). In that system, trades to be executed are collected at the end of the day and processed for a single block trade the following trading day. In the present invention, such a system could have undesirable consequences because one or more such large trades could provide sufficient market pressure to change the price of the underlying security, most likely decreasing its price. When options are executed by insiders, the required disclosure of such exercises, coupled with changes in the underlying security price, could have number of detriments. Accordingly, it is desirable to allow the plan participant to exercise her options in real time under the present system. With reference to FIG. 6, assuming, for example, that the participant calls in by telephone, the participant ("user" in the Figure) starts 601 by calling a predefined telephone number and navigates through various menu options using the touch tone phone keys using known technology (the Voice Response System, "VRS", mentioned above). The user enters her account number 603 which is verified 605 by the system. The user then enters her PIN at 607. The system verifies the user's PIN 609 and decides whether real time trading is an election within the plan 611 by reference to the plan level rules. If real time processing is permitted, the user enters her desired order for the options to be exercised 613 (e.g., number of options to be exercised and type of exercise for all or groups thereof) and the order is processed 615. If real time trading is not permitted, the system branches 617 to process the order in a batch mode (e.g., the order will pend on the system until it can be processed in the normal course of trading). Continuing with the processing, the order is executed 619 in real time such as in the aforementioned U.S. Pat. No. 4,674,044. Afterwards, the trade is confirmed 621 and the relevant databases are updated 623 to reflect the option exercise, after which this portion of the process terminates 625.

Detailed Description Paragraph Table (1):

TABLE II Description Resp. Size PLAN LEVEL RULES Plan name Mrking 50 Chars Plan source code Oper 9 Chars Plan stock cusip Oper 8 Chars Plan stock description Oper

20 Chars VRS Mrking Yes or No VRS phone number Oper 999-999-9999 Annual or quarterly statements Mrking Annl or Qtrly Customer letter short name 1 Systems 20 Chars Customer letter short name 2 Systems 20 Chars Customer letter phone number Systems 999-999-9999 Account Assignment Oper Yes or No Plan active date Systems CC/YY/MM/DD Incentive Compensation Mrking Yes or No Fractional grants Mrking Yes or No Allow zero grants Mrking Yes or No Payroll data required for exercise Mrking Yes or No Maximum year to date exercises Mrking 999 Minimum exercise amount Mrking 9,999,999.9999 Maximum exercise amount Mrking 9,999,999.9999 Target price exercise duration (d) Mrking 999 Exercise blackout start date Mrking CC/YY/MM/DD Exercise blackout end date Mrking CC/YY/MM/DD Limit price % Mrking 9.9999 1st sale inflation % Mrking 9.9999 1st sale minimum commission Mrking 999.99 1st sale commission % Mrking 9.9999 2nd sale inflation % Mrking 9.9999 2nd sale minimum commission Mrking 999.99 2nd sale commission % Mrking 9.9999 Repeat following for each valid exercise type for the plan (max. 30 types) Exercise type Mrking 6 Chars Exercise code Systems 1 Char Exercise description Mrking 30 Chars COUNTRY RULES Country number Oper 999 Country Name Mktg 30 Chars Allow VRS exercises? Mktg Yes or No New account form required? Mktg/Legal Yes or No Force share delivery Oper/Legal Yes or No Special user authority needed Oper Yes or No Special userid's Oper 8 Chars Repeat following for each valid exercise allowed (max. 30 types) Valid exercise type Mrking 6 Chars Valid exercise code Systems 1 Char Valid exercise description Mrking 30 Chars GRANT RULES Grant date Mrking CC/YY/MM/DD Grant price Mrking 99,999.99999 Grant expiration date Mrking CC/YY/MM/DD Maximum year to date exercises Mrking 999 Minimum vesting amount Mrking 9,999,999.9999 Vested outstanding cusip Oper 8 Chars Vested outstanding account Oper 9 Chars Vested lapsed cusip Oper 8 Chars Vested lapsed account Oper 9 Chars Unvested outstanding cusip Oper 8 Chars Unvested outstanding account Oper 9 Chars Unvested lapsed cusip Oper 8 Chars Unvested lapsed account Oper 9 Chars Exercise cusip Oper 8 Chars Exercise account Oper 9 Chars EMPLOYEE STATUS RULES Status code Mrking 1 Char Status description Mrking 30 Chars Exercise cutoff amount Mrking 9999 Exercise cutoff type Mrking Years/Months/Days VESTING RULES Grant date Mrking CC/YY/MM/DD Status code Mrking 1 Char Vesting rate Mrking 9.9999 Vesting calculation type Mrking Truncate or Round Special vesting check Systems Yes or No 100% vesting date Systems CC/YY/MM/DD Repeat following for each event date (up to 25 event dates) Event vesting date Mrking CC/YY/MM/DD Event vesting rate Mrking 9.9999

Detailed Description Paragraph Table (4):

Top of Screen Acct No. States client's account number Grant Date Indicated option grant date from database Grant Price Indicated grant price (strike price) for this option. Status Date Date of an employee status change. (e.g., if all 0's, the status is active and unchanged). Status Indicates type of status change; e.g., voluntary or involuntary termination, death, or retired. Available Options The number of options available to exercise. Available SAR Available attached SAR's Grant Type One letter code indicating the grant type Column One Exercise Type The exercise method chosen; e.g., C = .backslash.CASH, CLP = CASHLESS PARTIAL, CLP = CASHLESS FULL, SS = STOCK FOR STOCK Reload CASHLESS FULL, SS = STOCK Indicate a "Y" or a "N" to reload the stock option No. of Options The number of options to use in the transaction Disqualifying ISO Systematic default will be N unless a disqualifying exercise is placed. An ISO will become disqualified if shares are sold and or taxes are paid with share with- holding. The participant can also elect to disqualify an option. Number of SAR's Total SAR's to use. Tax (Fed/Int'l) The tax field will read the demographic screen fed tax field for domestic and aggregate tax rate for Int'l. Can adjust upward in increments of .1% up to 39.6% for domestic. International taxes cannot be adjusted. The Federal tax will be added to all other taxes provided in a demographic feed for calculations. Stock Price Current stock price for model Tax Payment Method for paying taxes. C = Credit Balance/Check amount, S = Share Withholding, D = Tax Deferral, and P = Stock Sale Credit Balance Amount of cash to be used for exercise from cash balance. Check Amt Total check participant will use to complete a cash exercise (Use in the case of wired funds as well.) Share Amount The amount of shares used from the account to complete a stock for stock exercise. Shares Attested The amount of shares used from

outside accounts to complete a stock for stock exercise. Use price as limit
Indicate a "Y" or "N" if the stock price entered in the model will be used as the
limit price for a real time trade. Indicate "N" for a market order. Column Two
Exercise Type The type of exercise will be spelled out fully. C = Cash, CLP =
CASHLESS PARTIAL, CLF = CASHLESS FULL, SS = STOCK FOR STOCK Net Shares The shares
that will be received by the participant. The following is the calculation: Options
- Required Shares for Stock Swap - Share Withholding - Shares Sold = Net Shares Net
Proceeds Any cash that will be received by the participant from a option exercise.
The following is a calculation: [(Credit Balance + Check Amount) + Gross Proceeds +
(Shares Required .times. Stock Price) + Gross SAR Proceeds] - [Reimbursement +
(Total Tax - Taxes form Share Withholding - Taxes Deferred) + Fees + Commissions +
Residual SAR Proceeds] = Net Proceeds SAR Proceeds Information displayed whenever a
SAR or a Unit Option is exercised with the net proceeds generated from a SAR
exercise or Unit surrender. The following is a calculation: (Stock Price - Grant
Price) .times. # of SAR's - SAR taxes = SAR Proceeds Required Cash The minimum cash
needed to complete a cash Amount exercise. Requires Shares Calculation of the total
shares required to do a stock for SS for stock exercise. The following is a
calculation: [(number of options .times. grant price)]/stock price = required
shares Stock Sale Total proceeds generated by a stock sale on a exercise Proceeds

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L2: Entry 94 of 117

File: USPT

Jul 31, 2001

US-PAT-NO: 6269346

DOCUMENT-IDENTIFIER: US 6269346 B1

TITLE: Stock option control and exercise system

DATE-ISSUED: July 31, 2001

INVENTOR-INFORMATION:

NAME	CITY	STATE	ZIP CODE	COUNTRY
Cristofich; John	Bridgewater	NJ		
Warner; Susan	Hamilton	NJ		
Howard; Deborah	Jackson	NJ		
Berkley; Karen	Franklin Park	NJ		

ASSIGNEE-INFORMATION:

NAME	CITY	STATE	ZIP CODE	COUNTRY	TYPE	CODE
Merrill Lynch, Pierce, Fenner & Smith	New York	NY			02	

APPL-NO: 09/ 386987 [\[PALM\]](#)

DATE FILED: August 31, 1999

PARENT-CASE:

This application is a continuation of co-pending application Ser. No. 08/935,709, filed Sep. 23, 1997, which is a continuation-in-part of application Ser. No. 08/487,902, filed Jun. 7, 1995, now U.S. Pat. No. 5,671,363, and application Ser. No. 07/938,939, filed Sep. 1, 1992, now abandoned (the disclosures of which are incorporated herein by reference).

INT-CL: [07] [G06 F 17/60](#)

US-CL-ISSUED: 705/37; 705/35, 705/36

US-CL-CURRENT: [705/37](#); [705/35](#), [705/36](#)

FIELD-OF-SEARCH: 705/35-37

PRIOR-ART-DISCLOSED:

U.S. PATENT DOCUMENTS

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	PAT-NO	ISSUE-DATE	PATENTEE-NAME	US-CL
<input type="checkbox"/>	4346442	August 1982	Musmanno	
<input type="checkbox"/>	4376978	March 1983	Musmanno	

<input type="checkbox"/>	<u>4597046</u>	June 1986	Musmanno	
<input type="checkbox"/>	<u>4674044</u>	June 1987	Kalmus	
<input type="checkbox"/>	<u>4700297</u>	October 1987	Hagel, Sr.	
<input type="checkbox"/>	<u>4774663</u>	September 1988	Musmanno	
<input type="checkbox"/>	<u>4815741</u>	March 1989	Small	
<input type="checkbox"/>	<u>4823265</u>	April 1989	Nelson	
<input type="checkbox"/>	<u>4953085</u>	August 1990	Atkins	
<input type="checkbox"/>	<u>5077665</u>	December 1991	Silverman	
<input type="checkbox"/>	<u>5126936</u>	June 1992	Champion	
<input type="checkbox"/>	<u>5132899</u>	July 1992	Fox	
<input type="checkbox"/>	<u>5136501</u>	August 1992	Silverman	
<input type="checkbox"/>	<u>5206803</u>	April 1993	Vitagiliano et al.	364/408
<input type="checkbox"/>	<u>5210687</u>	May 1993	Wolfberg	
<input type="checkbox"/>	<u>5227967</u>	July 1993	Bailey	
<input type="checkbox"/>	<u>5233514</u>	August 1993	Ayyoubi	
<input type="checkbox"/>	<u>5262942</u>	November 1993	Earle	
<input type="checkbox"/>	<u>5270922</u>	December 1993	Higgins	
<input type="checkbox"/>	<u>5297032</u>	March 1994	Trojan	
<input type="checkbox"/>	<u>5315634</u>	May 1994	Tanaka	
<input type="checkbox"/>	<u>5671363</u>	September 1997	Christofich	
<input type="checkbox"/>	<u>5710889</u>	January 1998	Clark	
<input type="checkbox"/>	<u>5765144</u>	June 1998	Larche	
<input type="checkbox"/>	<u>5781654</u>	July 1998	Carney	
<input type="checkbox"/>	<u>5826243</u>	October 1998	Musmanno	
<input type="checkbox"/>	<u>5890141</u>	March 1999	Carney	

FOREIGN PATENT DOCUMENTS

FOREIGN-PAT-NO	PUBN-DATE	COUNTRY	US-CL
0416482A2	March 1991	EP	

OTHER PUBLICATIONS

Mid-South investors well-versed in options trading, Yawn, David, Memphis Business Journal, v12, n8, p13(1), Jul. 1990.*
"Agreement for Services Between PepsiCo, Inc. and Merrill Lynch, Pierce, Fenner & Smith Incorporated dated as of Jul. 1, 1990" dated Oct. 31, 1990.
"Proposal to Convert PepsiCo's Sharepower Plan to Merrill Lynch's Generic Stock Option Plan Administrative System, vol. One, Oct. 7, 1994" of Oct. 7, 1994.

ART-UNIT: 274

PRIMARY-EXAMINER: Trammell; James P.

ASSISTANT-EXAMINER: Retta; Yehdega

ATTY-AGENT-FIRM: Hopgood, Calimafde Judlowe & Mondolino

ABSTRACT:

A system and method for managing a plurality of stock option accounts each for a plurality of participants. The system invokes a particular option plan defined in the system that governs the transaction choices available to each participant. The governing option plans are defined by the sponsoring company in terms of grant, vest and expiration date for the option contracts, and are defined in the system via a database of option holding information for each participant and an axiomatic rule system defining the criteria under which a given participant can exercise given options under the particular plan. The system implements the plans for multiple client companies providing several distinct modes for option exercise by the participant. The system preferably also allows for disbursement of proceeds in a currency different than that in which the underlying security for the option is traded, real time execution of the option transaction, and/or simulating the outcomes of different manners in which the participant may exercise vested options and the resulting economic outcome (disbursement, taxes, transaction fees).

13 Claims, 7 Drawing figures

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L2: Entry 95 of 117

File: USPT

Jun 12, 2001

DOCUMENT-IDENTIFIER: US 6247000 B1

TITLE: Method and system for confirmation and settlement for financial transactions matching

Parent Case Text (2):

This application is a Continuation-in-Part (CIP) of Applicant's application titled METHOD AND APPARATUS FOR TRADING SECURITIES ELECTRONICALLY having U.S. Ser. No. 08/700,836 filed Aug. 21, 1996, now U.S. Pat. No. 6,029,146. This application also claims the benefit of U.S. Provisional Application No. 60/049,851, titled "IMPROVED METHOD AND SYSTEM FOR TRADING", filed Jun. 17, 1997.

Brief Summary Text (5):

Language barriers, time differences and physical distance combined with short settlement periods increase the risks for all security trading participants. While the current suite of electronic trading products have reduced the risk for the investor and the executing broker by automating the confirmation process, none of the products has provided an efficient method for routing settlement instructions to agent banks. Banks are forced to rely on a variety of manual methods for receiving settlement instructions from their counterparties. These settlement instructions are often received by the bank after the trade is supposed to settle and often contain multiple errors. Banks are required to employ large staffs to chase down settlement instructions, repair messages, and to manually match settlement instructions with executing brokers' instructions prior to settlement taking place.

Brief Summary Text (8):

Systems exist that permit securities traders to communicate electronically with each other. Each of these systems require the investor's clearing agent to manually pre-match a settlement instruction with the executing broker. Currently, there are no products that can effectively automate the trading confirmation process between brokers.

Brief Summary Text (12):

U.S. Pat. No. 5,497,317 discloses a device and method for improving the speed and reliability of security trade settlements, in which trade settlement information is communicated securely between institutional investors, brokers, and custodians. As defined in this patent, institutional investors consist of retirement and pension funds, mutual fund companies, investment advisors, insurance companies and other investors, which manage and trade for two or more accounts. Custodian is defined as a bank, security depository or other settlement agent. Delivery instructions are stored in database in a format compatible with both Industry Users Group (IUG) and Industry Standardization for Institutional Trade Communication (ISITC) standards. Communication links exist between security trading participants and a central database (which actually consists of two separate databases), and between the participants themselves for exchanging messages (e.g., electronic mail not relating to settlement of a particular trade). Communications links between institutions and brokers are utilized immediately after trade execution to settle the trade. Similarly, trade settlement communications links exist between institutions and custodians. Brokers and custodians input delivery instructions to a delivery database along respective lines. The delivery instructions include information such

as the country of origin of the security, the security type, and clearing method details. As delivery instruction sets are added to or modified on the delivery database, alert messages are generated by a central database for communication to the other brokers and custodians; these alert messages inform the brokers and custodians of the delivery instruction changes. The central database includes a wire or wireless transceiver for receiving information for storage and retrieval requests, and for transmitting alerts and retrieved information. Account information includes a custodian identifier for retrieval from the delivery database of the delivery instructions corresponding to the specified custodian identifier. Account information and the retrieved, specified custodian delivery instructions are combined for storage in an account database. A broker internal account number (BIA)/account identifier table is stored in the account database for use by the central database to generate alert messages for transmission to brokers informing them of changes in account information for BIAs cross-referenced to the account information. The changes may be to either the custodian delivery instruction portion or the account portion of account information. Information retrieved from the central database for use in settling security trades is very accurate since each participant enters information on databases pertaining to it and since alert messages permit affected participants to review changes made to the databases in real time.

Brief Summary Text (13):

In this system, storing custodian delivery instructions in both the delivery database and the account database serves several functions. First, it prevents custodians from making changes to the settlement of securities traded for an institutions' account without the institutions' consent. Second, it permits more rapid retrieval and transmission of security settlement information from the institutions to the brokers since only a single database needs to be accessed.

Detailed Description Text (4):

An example of a base system, for which the present invention provides matching order routing and other transaction information, is described in applicants' copending application titled METHOD AND APPARATUS FOR TRADING SECURITIES ELECTRONICALLY having U.S. Ser. No. 08/700,836 filed Aug. 21, 1996, now U.S. Pat. No. 5,787,402 and is referred to as "Global Clear". The functions of Global Clear will be described in conjunction with the functions of the present invention. It will be appreciated by those skilled in the art that the matching system of the present invention is likewise applicable to other financial transactions and other trading systems that necessitate a matching method and system, as well as other activities amenable to matching (e.g., documentation matching).

Detailed Description Text (180):

"Price Limit" specifies the currency, price limit and code identifying the type of order. The field includes an ISO currency code, a price and a price limit code.

Detailed Description Text (181):

"Price Limit Codes" are codes used to buy or sell orders, and include the following: AON--all or none; BCE--buy contra short exempt; BCS--buy contra short; BMI--buy minus; CAR--carefully; COM--combination order; DNI--do not increase; DNR--do not reduce; DSC--discretionary; FOK--fill or kill; LMT--limit order; LWO--limit with or without a round lot sale; MIT--market until touched; MKT--at the market; MNH--market not held; MSC--miscellaneous; NHD--not held; ORL--order lie; SEI--sell short exempt; SLO--stop loss; SPS--sell plus; SSI--sell short; STL--stop limit; and STP--stop order.

Detailed Description Text (182):

"Price limit qualifier" is used to specify whether the price limit used in the price limit filed and or the stop price is a discount or premium amount or a par value. The following code words may be selected: CEN--the price or stop limit is less than a dollar; DIS--the price or stop price limit is a discount amount or

percentage relative to the issue price; PAR--the price or stop price limit is a par value or equal to the nominal or face value of the instrument; and PRE--the price or stop price limit is a premium amount or percentage relative to the issue price.

Detailed Description Text (198):

"Stop price" is used when a price limit has been specified in the Price Limit field. The following code words may be selected: PCT--followed by the percentage price; REN--followed by a revenue amount; and YLD--followed by a yield price.

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